

## AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_ 1984, by and between CITY OF COLUMBIA FALLS (City) and \_\_\_\_\_

WHEREAS, City operates its municipal sanitary sewerage treatment facility and as a natural by-product thereof, produces sludge containing a concentrated form of organics and nutrients from the operation of the treatment plant, and

WHEREAS, it is the desire of the parties hereto to enter into this agreement providing for the placing and injection of said sludge upon premises owned by Arco as set forth herein, under and subject to the terms of this agreement.

NOW THEREFORE, for and in consideration of the mutual promises hereinafter set forth and intending to be legally bound hereby, the parties hereto agree as follows:

1. Arco is the owner of a tract or piece of land described in Exhibit "A" attached hereto and made a part hereof, which premises are the premises, the subject of this agreement, upon which sludge will be placed or injected by City.
  2. During the term of this lease, or any extension thereof, City shall, at the times agreed upon by both parties, place or inject beneath the surface of the subject premises, in the manner required by the Montana Department of Health and Environmental Sciences, the material from its sanitary sewerage treatment plant known as sludge.
  3. Pursuant to the requirements of the Montana Department of Health and Environmental Sciences, the sludge from the treatment plant shall be tested for its content in accordance with those regulations, and no sludge shall be applied or injected into the subject premises of Arco that does not meet the minimum standards for sludge to be applied to cropland, as promulgated by the Montana Department of Health and Environmental Sciences. This testing shall occur at such periods of time as are required by the department.
- Sludge shall be applied or injected in a manner so as not to result in run-off of the sludge material from the land into adjacent waterways, or so as to render the surface of the subject premises unworkable due to excess moisture, or to cause excessively deep rutting due to equipment movement over the premises.
4. City shall maintain and provide to Arco, accurate records as to the volume of sludge applied, the dates of application and the chemical characteristics of the material so applied. In addition thereto, Arco shall be provided with sketch maps of the locations on the subject premises where applications have been made.

5. City, pursuant to requirements of Montana Department of Health and Environmental Sciences regulations, shall conduct soil tests on the subject premises, and provide copies of those test results unto Arco. City will not in any manner, apply more sludge material than the regulations permit so as to cause soils to reach illegal balances of P.H. or other characteristics. All testing costs shall be borne by City.

6. If Arco uses the subject premises for growing crops, then it agrees that said crops shall be of the type permitted to be grown on land wherein sludge is used for fertilizer purposes, pursuant to the regulations of the Montana Department of Health and Environmental Sciences. In the event that Arco sells the land, it agrees to advise the purchaser that the land has been used for fertilization by sludge, the purpose of said notice being that purchaser should be made aware thereof, due to cropping practices to be permitted on the land by the Montana Department of Health and Environmental Sciences.

7. City certifies that it has in force and effect and shall maintain in force and effect during the term of this lease or any extension thereof, general public liability insurance coverage for any liability that may arise as a result of the injection of sludge covered by this agreement. The maximum limits of this policy are \$1,000,000.00. A certificate of insurance evidencing this coverage shall be provided unto Arco during the term of this agreement or any extension thereof.

8. The term of this agreement shall extend for one (1) calendar year from \_\_\_\_\_, 1984 until \_\_\_\_\_, 1985. Unless either party notifies the other on or before September 30, 1984 or September 30 of any extension year, that the agreement is to be terminated on December 31 of that year, this agreement shall continue from year to year thereafter, until so terminated by either party.

CITY OF COLUMBIA FALLS

BY: \_\_\_\_\_ BY: \_\_\_\_\_

BY: \_\_\_\_\_ BY: \_\_\_\_\_